

PROVIDING AMOUNTS FOR THE EXPENSES OF THE SELECT SUBCOMMITTEE ON THE UNITED STATES ROLE IN IRANIAN ARMS TRANSFERS TO CROATIA AND BOSNIA OF THE COMMITTEE ON INTERNATIONAL RELATIONS IN THE SECOND SESSION OF THE ONE HUNDRED FOURTH CONGRESS

MAY 6, 1996.—Referred to the House Calendar and ordered to be printed

Mr. THOMAS, from the Committee on House Oversight,
submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H. Res. 417]

The Committee on House Oversight, to whom was referred the resolution (H. Res. 417) providing amounts for the expenses of the Select Subcommittee on the United States Role in Iranian Arms Transfers to Croatia and Bosnia of the Committee on International Relations in the second session of the One Hundred Fourth Congress, having considered the same, report favorably thereon with an amendment and recommend that the resolution be agreed to.

The amendment is as follows:

Strike out all after the resolving clause and insert the following:

That (a) there shall be paid out of the applicable accounts of the House of Representatives not more than \$995,000 for the expenses of the Select Subcommittee on the United States Role in Iranian Arms Transfers to Croatia and Bosnia (hereinafter in this resolution referred to as the “select subcommittee”) of the Committee on International Relations, any part of which sum may be used for procurement of consultant services under section 202(i) of the Legislative Reorganization Act of 1946.

(b) Payments under this resolution shall be made on vouchers authorized by the select subcommittee, signed by the chairman of the Committee on International Relations, and approved in the manner directed by the Committee on House Oversight.

(c) Amounts shall be available under this resolution for expenses incurred during the period beginning on the date on which this resolution is agreed to and ending on the date on which the select subcommittee ceases to exist or ending immediately before noon on January 3, 1997, whichever first occurs.

(d) Amounts made available under this resolution shall be expended in accordance with regulations prescribed by the Committee on House Oversight.

(e) The Committee on House Oversight shall have authority to make adjustments in the amount under subsection (a), if necessary to comply with an order of the President issued under section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985 or to conform to any reduction in appropriations for the purposes of such subsection.

GENERAL DISCUSSION

H. Res. 417, as amended, provides \$995,000 for the expenses of the Select Subcommittee on the United States Role in Iranian Arms Transfers to Croatia and Bosnia of the Committee on International Relations in the second session of the One Hundred and Fourth Congress. Any part of this amount may be used to procure consultant services under section 202(i) of the Legislative Reorganization Act of 1946.

The select subcommittee investigation

The Honorable Benjamin Gilman, Chairman of the Committee on International Relations, appeared before the Committee on May 1, 1996 to discuss the need for the investigation and to explain the funding request.

As presented to the Committee, the Select Subcommittee is needed to investigate the issues and questions that have arisen following the revelation that the Clinton Administration acquiesced over two years ago in the creation of an Iranian arms pipeline to Croatia and Bosnia. The Administration's policy (1) directly contradicts the stated position of the United States Government; (2) was not revealed to Congress; (3) has allowed the terrorist nation of Iran to gain a foothold in Europe; (4) affects the United States exit strategy from Bosnia.

Discussion at the Committee meeting raised several unanswered questions. How was this policy developed? What was the U.S. role in implementing it? What are its consequences? Was Congress deceived or misled? Has any U.S. law been violated? As Chairman Gilman discussed, the serious nature of these issues warrants further investigation by the Select Subcommittee established specifically for this purpose.

The funding request

Before beginning its investigation, the Select Subcommittee has requested a fixed budget and fixed expiration date for funding the completion of their work. This request is far different from the last similar such funding request for "The October Surprise Task Force." That Task Force spent over \$769,000 and operated for over seven months before receiving the needed funding authorization from the House for its investigation.

Chairman Gilman requested a total of \$1,200,000 to fund the personnel and non-personnel expenses of the Select Subcommittee. The request allocates personnel resources to the minority in excess of the ratio of minority membership on the Subcommittee. The justification for the request is outlined in the letter and budget category summary submitted to the Committee on House Oversight and printed below.

The committee amendment

The Committee's amendment in the nature of a substitute reduced the funding request by \$205,000 to \$995,000. This amount includes an estimated \$236,000 in costs which, the due to new budgeting requirements, were not absorbed by previous similar entities.

No supplemental appropriations or reprogrammings of existing appropriations are required to support the funding level of \$995,000. There are sufficient Fiscal Year 1996 funds available within the appropriate House account to fund the expenses of the Select Subcommittee, without jeopardizing other Committees' funding needs or violating the commitment made in the Contract with America to reduce committee staffing levels by one-third.

H. Res. 417 as amended also does not violate the commitment to reduce committee funds by 30% in the 104th Congress. The committee funding resolution for the 104th Congress, H. Res. 107 approved by the House on March 15, 1995, reduced committee funding by \$67 million, or 30%, from 103rd Congress levels. During 1995, Committees voluntarily contributed further savings by underspending the authorized amount by nearly \$6 million. Even with the additional funding authorization of \$995,000, House committees will achieve the 30% reduction in spending.

FUNDING REQUEST

The following letter was submitted on behalf of the Committee on International Relations:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC, April 30, 1996.

Hon. WILLIAM M. THOMAS,
Chairman, Committee on House Oversight, House of Representatives, Washington, DC.

DEAR BILL: I am writing to request consideration by your Committee of H. Res. 417, providing amounts for the expenses of the Select Subcommittee on the U.S. Role in Iranian Arms Transfers to Croatia and Bosnia of the Committee on International Relations in the second session of the One Hundred Fourth Congress. Attached for your consideration is a budget proposal in support of H. Res. 417.

As set forth in paragraphs (c)(1) through (c)(7) of H. Res. 416, the scope of the investigation to be undertaken by the Select Subcommittee includes matters relating to (1) the policy of the U.S. Government with respect to the transfer of arms; (2) the nature and extent of the transfer of arms or other assistance; (3) any actions taken by the U.S. Government to facilitate or to impede such transfers; (4) any communications or representations made to the U.S. Congress or American people with respect to the transfers or with respect to the international arms embargo of the former Yugoslavia; (5) any implication for the safety of U.S. Armed Forces deployed in and around Bosnia; (6) any actions taken to review, analyze, or investigate the above matters; and (7) all deliberations, discussions, or communications relating to the above matters. The Se-

lect Subcommittee shall cease to exist 6 months after the date on which H. Res. 416 is agreed to.

We are requesting \$1,200,000 for this six-month investigation. The bulk of the request—\$1,111,000 or 93%—is to cover personnel costs. Of that amount, \$675,000 has been budgeted for expenses of contract counsels and their staff. While we have not finalized any contracts, surveys and analysis were conducted of the expenses and contract amounts of recent or on-going special investigations. The budget also includes \$226,000 to cover salaries for eight regular-salaried staff members and overtime for four staff members for the duration of the investigation and \$210,000 for three detailees from the Federal Bureau of Investigation to assist with interviews.

\$89,000 has been budgeted for non-personnel items, including domestic travel and witness expenses, supplies, telephone lines, equipment and tolls, and computer-related and other equipment.

I hope that during its consideration of H. Res. 417, the Committee will bear in mind that inclusion of certain costs, such as reimbursement for detailees' salaries and benefits, overtime, and telephone lines, are now mandatory beginning with this Congress. Similar expenses, therefore, were not reflected in previous special investigatory budgets.

I look forward to meeting with you and Members of the Committee on House Oversight soon.

With best wishes,
Sincerely yours,

BENJAMIN A. GILMAN,
Chairman.

*Proposed budget for Select Subcommittee on the Role in Iranian Arms Transfers to
Croatia and Bosnia*

Personnel:	
Consultant Authority (Special Counsel Requests)	\$675,000
Committee Staff Salaries	215,000
Overtime	11,000
Detailees	210,000
Subtotal	1,111,000
Non-personnel:	
Travel	10,000
Witness expense	10,000
Equipment	26,500
Supplies	20,500
Telephone	10,000
Publications	5,000
Outside Computer	2,000
Miscellaneous	5,000
Subtotal	89,000
Total	1,200,000

COMMITTEE ACTION

On May 1, 1996, by rollcall vote (7–5), a quorum being present, the Committee agreed to a motion to report the resolution favorably to the House, as amended.

ROLLCALL VOTES

In compliance with clause 2(1)(2)(B) of rule XI of the Rules of the House of Representatives, with respect to each rollcall vote on a motion to report the resolution and on any amendment offered to the resolution, the total number of votes cast for and against, and the names of those Members voting for and against, are as follows:

HOUSE RESOLUTION 417, ROLLCALL NO. 1

Motion by Mr. Thomas. Subject: Previous question on the amendment in the nature of a substitute and the resolution.

Member	Aye	Nay	Present
Mr. Thomas	X	.....	.....
Mr. Ehlers	X	.....	.....
Mr. Roberts	X	.....	.....
Mr. Boehner	X	.....	.....
Ms. Dunn	X	.....	.....
Mr. Diaz-Balart	X	.....	.....
Mr. Ney	X	.....	.....
Mr. Fazio .....	.....	X	.....
Mr. Gejdenson .....	.....	X	.....
Mr. Hoyer .....	.....	X	.....
Mr. Jefferson .....	.....	X	.....
Mr. Pastor .....	.....	X	.....
Total	7	5	.....

HOUSE RESOLUTION 417, ROLLCALL NO. 2

Motion by Mr. Thomas. Subject: Report resolution, as amended, favorably to the House.

Member	Aye	Nay	Present
Mr. Thomas	X	.....	.....
Mr. Ehlers	X	.....	.....
Mr. Roberts	X	.....	.....
Mr. Boehner	X	.....	.....
Ms. Dunn	X	.....	.....
Mr. Diaz-Balart	X	.....	.....
Mr. Ney	X	.....	.....
Mr. Fazio .....	.....	X	.....
Mr. Gejdenson .....	.....	X	.....
Mr. Hoyer .....	.....	X	.....
Mr. Jefferson .....	.....	X	.....
Mr. Pastor .....	.....	X	.....
Total	7	5	.....

COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 2(1)(3)(A) of rule XI of the Rules of the House of Representatives, the Committee states that the findings and recommendations of the Committee, based on oversight activities under clause 2(b)(1) of rule X of the Rules of the House of Representatives, are incorporated in the descriptive portions of this report.

STATEMENT ON BUDGET AUTHORITY AND RELATED ITEMS

The resolution does not provide new budget authority, new spending authority, new credit authority, or an increase or decrease in revenues or tax expenditures and a statement under clause 2(1)(3)(B) of rule XI of the Rules of the House of Representatives and section 308(a)(1) of the Congressional Budget Act of 1974 is not required.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

In compliance with clause 2(1)(3)(C) of rule XI of the Rules of the House of Representatives, the Committee states, with respect to the resolution, that the Director of the Congressional Budget Office did not submit a cost estimate and comparison under section 403 of the Congressional Budget Act of 1974.

OVERSIGHT FINDINGS OF COMMITTEE ON GOVERNMENT REFORM AND
OVERSIGHT

The Committee states, with respect to clause 2(1)(3)(D) of rule XI of the Rules of the House of Representatives, that the Committee on Government Reform and Oversight did not submit findings or recommendations based on investigations under clause 4(c)(2) of rule X of the Rules of the House of Representatives.

MINORITY VIEWS

Everything about this effort to establish a Select Subcommittee—from procedure to substance—seems profoundly flawed. Indeed, there are so many objectionable aspects to this funding request that it is difficult to know where to begin.

PROCEDURAL RUSH TO JUDGMENT

Some of these many problems might have been avoided had the Republican majority not chosen to act with such unnecessary haste. We note, for example, that we were notified of a legislative mark-up of H. Res. 417, shortly after its introduction, and just 24 hours before the mark-up actually occurred. Until the morning of the mark-up, we received no supporting documentation of any kind justifying the requested \$1.2 million expenditure of tax dollars, or the \$1 million which the Committee majority eventually approved. We further note that the House has not even created the entity which the Republicans seek to have funded—namely, a Select Subcommittee of the House Committee on International Relations. We are aware of no extraordinary circumstances that require the Republican majority to ram this legislation through the House with so little thought, discussion, preparation or analysis. This is no way to do the people's business—a criticism that has become increasingly common in this Congress.

\$2.4 MILLION ANNUALIZED SUBCOMMITTEE BUDGET REQUEST

Having told the minority virtually nothing about the need and purpose of this Subcommittee, and having rushed this process to a ludicrous degree, the majority suddenly presents us with a Subcommittee budget for 6 months of \$1.2 million in taxpayer money. This \$2.4 million *annualized* amount would have made it the most expensive subcommittee established by the Republican majority this Congress.¹ That is nearly three times the average amount for each of the House International Relations Committee's other standing subcommittees. By any measure, even the amount eventually approved, this is a substantial sum of the public's money, and we should not authorize its use without an equally substantial and compelling justification for doing so.

JUSTIFICATION OR RATIONALIZATION

What, then, is the majority's justification? Based upon the substance of the Republican request, the best we can determine is that the majority is asking for taxpayer money to do nothing more than review an aspect of the President's, and this country's, foreign pol-

¹During mark-up, the majority erroneously left the impression that the "October Surprise" Task Force spent \$4.5 million. In fact, the actual amount disbursed by the House was \$1.47 million.

icy—a policy which has proven highly successful to date. This \$1.2 million request for taxpayer money was not being sought by the Republican majority for use in the investigation of any crimes—for no such allegations have been made. Nor was this \$1.2 million request for taxpayer money being sought by the Republican majority to resolve either critical factual disputes or troubling uncertainty in the law, for as the former Chairman of the International Relations Committee noted in his statement before the Committee, there seems to be no disagreement on either the underlying facts or the applicable rules of law in this affair. The relevant controversy, to the extent that one exists at all, is one that relates to *policy*, and, as such, is an inappropriate subject for the creation of an expensive new Subcommittee.

This is not to say that the Congress should play no role in the conduct of this country's foreign affairs. On the contrary, our national legislature has a responsibility to contribute to the formulation, funding, implementation, and oversight of United States foreign policy. But we believe that this role should first be exercised through our time-tested committee system. The Republican majority chooses to ignore the fact that the American taxpayer has already fully funded a standing House Committee to do this very job—the Committee on International Relations—and that Committee has already been funded in the 104th Congress to the tune of over \$10 million.

TAXPAYERS PAY FOR DUPLICATIVE COMMITTEE FUNCTIONS

Everything the Republican majority proposes for this Select Subcommittee—however unnecessary or unwise the undertaking itself—can be achieved by the existing Committee on International Relations and done so within its existing budget. We have seen nothing that is unique or extraordinary to justify the creation of yet another new House entity, with its own separate funding, staffing, and mandate. We already have an excellent House standing Committee in the foreign policy arena, and if the Republican majority really cares to pursue this particular matter, it should use the standing committee and existing resources which the House created and authorized for that purpose. Under these circumstances, to allocate an additional \$1 million in taxpayer funds is a waste and an embarrassment. Surely Republicans must have more respect for tax dollars than is suggested by this resolution.

WHAT'S WRONG WITH THIS PICTURE?

The establishment of a Select Subcommittee in this situation is neither necessary, appropriate, frugal nor wise. It does, however, achieve one purpose which is readily apparent. Speaker Gingrich imposed a strict staffing freeze, and the House funding resolution specified funding limits, on all House committees. At the time, the Republican majority represented that it was serious about reducing the size and the cost of government, and touted the staffing freeze and reduced funding levels as indicative of its commitment. It even claimed credit for reducing the number of subcommittees, and in an ironic twist, the very subcommittee which would ordinarily oversee this matter was eliminated at the beginning of this Congress, its jurisdiction being taken over by the full Committee on Inter-

national Relations. Yet the Republican majority's creation of a special Select Subcommittee, fully funded and newly staffed within a standing committee of the House, circumvents the staffing limitations imposed on the House, while allowing the Republican majority to say one thing and do another.

MUST BE THAT TIME AGAIN

Despite so little basis to support this resolution, one need not venture very far to determine what is really at stake here. For in the Republican majority's actions there is the unmistakable whiff of election year politics in the air. From Speaker Gingrich's press release, issued during the week preceding the introduction of H. Res. 417, it is quite clear that the purpose of this proposed Subcommittee is to gin up criticism of the President's foreign policy. That's why the American taxpayers are being asked to foot a \$1 million, six month investigation, and everyone knows it. The purpose of this exercise is as transparent as the election in November is certain.

Indeed, this proposal to create yet another new panel can best be understood in the context of the majority Leadership's recent memorandum to its committee chairs directing them to dig up information with which to attack the Clinton Administration. Apparently, this is all part of the Republican election year strategy. And as the Republican candidate for the White House continues to do poorly in his campaign, we assume that we'll see more of the same.

But for the Republican majority to so brazenly manipulate the machinery of government in this manner is to violate the public trust and squander hard-earned tax dollars. Far too much of our time and the resources of this Congress are being spent by the majority in pursuit of political gain in its efforts to tarnish unfairly an increasingly successful and popular President.

HOW MUCH IS TOO MUCH?

The most obvious of these is the so-called Whitewater investigation, which, in the Senate alone, has produced 44 hearings, 136 witnesses, 244 depositions, and a stack of documents more than 180 feet high. The total money authorized for all Whitewater-related investigations now totals a mind-boggling \$30,000,000.00. The costs of numerous other Republican investigations of this Administration, such as the inquisition into the White House Travel Office, add up to hundreds of more pointless hours, and hundreds of thousands of additional public dollars. It is a staggering amount of time and money, all of which has been enormously wasted in a partisan effort to discredit the President and obtain political advantage.

WHILE ROME BURNS

The real tragedy in all this is that the time and resources expended by the majority in these efforts could have been put to far better use in furtherance of a substantive legislative agenda. This is politics at its worst and the majority gravely underestimates the patience of the American public in pursuing this course. The minority has done what it can to point out the needlessness of this undertaking. Absent a more compelling basis than has been presented

thus far, the House should reject the present effort to convert appropriated funds to undertake yet another baseless attempt to attack this Administration.

VIC FAZIO.
 SAM GEJDENSON.
 STENY HOYER.
 WM. JEFFERSON.
 ED PASTOR.

